

DAN E ARNETT CHIEF OF STAFF

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April 24, 2006

Mr. Charles L. A. Terreni Chief Clerk and Administrator South Carolina Public Service Commission 100 Executive Center, Suite 100 Columbia, South Carolina 29210 2006-123-4

RE:

Request of South Carolina Electric & Gas ("SCE&G") for An Accounting Letter Authorizing The Amortization of Unrecovered Propane Air Plant Investment

Dear Mr. Terreni:

On April 24, 2006, SCE&G requested that the Commission issue an Accounting Letter to allow SCE&G to record its unrecovered investment associated with the retirement of its propane air facilities. The Office of Regulatory Staff ("ORS") has no objection to the issuance of an Accounting Letter that would allow SCE&G to amortize over five years the net undepreciated investment in its propane air facilities located at North Charleston (Faber Place) and Columbia.

Sincerely,

Nanette S. Edwards

Nanette S. Elwards

cc:

Belton T. Zeigler, Esq.

C. Dukes Scott John W. Flitter Jay Jashinsky